

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In Re: Larry E. Charles, and : Bankruptcy Case No.: 19-10095-TPA
 Shirley M. Charles, :
 : Chapter 12
 Debtors. :
 : Document No.:

AMENDED PROJECTED INCOME AND EXPENSE SUMMARY

Post Petition Periods	August 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020
Total Projected Cash Flow from Operations:	(Milk) \$6,004.18 (SSI/Inc) \$1726 TOT: \$7,730	(Milk) \$6,902.09 (SSI/Inc) \$1964 TOT: \$8,866.09	(Milk) \$6,181.25 (SSI/Inc) \$1964 TOT: \$8,145.25	(Milk) \$5,986.47 (SSI/Inc) \$1964 TOT: \$7,950.47	(Milk) \$6,104.37 (SSI/Inc) \$1964 TOT: \$8,068.37	(Milk) \$7,366.89 (SSI/Inc) \$1987 TOT: \$9,353.89
Less Total Projected Expenses	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84
Anticipated Cash Flow Available for Plan	\$1,730.16	\$2,866.25	\$2,145.41	\$1,950.63	\$2,068.53	\$3,354.05

Post Petition Periods	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020
Total Projected Cash Flow from Operations:	(Milk) \$6,970.88 (SSI/Inc) \$1,987 TOT: \$8,957.88	(Milk) \$6,869.13 (SSI/Inc) \$1,987 TOT: \$8,856.13	(Milk) \$7,447.28 (SSI/Inc) \$1,987 TOT: \$9,434.28	(Milk) \$5,669.08 (SSI/Inc) \$1,987 TOT: \$7,656.08	(Milk) \$6,064.67 (SSI/Inc) \$1,987 TOT: \$8,051.67	(Milk) \$6,098.78 (SSI/Inc) \$1,749 TOT: \$7,847.78
Less Total Projected Expenses	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84	\$5,999.84
Anticipated Cash Flow Available for Plan	\$2,958.04	\$2,856.29	\$3,434.44	\$1,656.24	\$2,051.83	\$1,847.94

Definitions:

EXPENSES:

Expense figures above are based on average actual expenses available on monthly operating reports for the first six months of the present case. In the present case, historical expenses are of little to no help in projecting future expenses because the debtors' expenses in 2018 were very low because the debtors were not able to pay many of their bills and were barely operating. The increased milk production resulting from the improved feeding regimen has increased expenses as well as the debtors have worked hard to maintain the new production levels. In some cases, long put off maintenance and capital expenditures have been dealt with, resulting in higher than expected expenses. Given this limited data and the lack of any clear pattern with expenses, an average based on the six months of monthly operating reports is being used in these projections.

Feb Expenses: \$7689.36 (Farm)	\$1018.40 (Home)	\$9,227.92
Mar Expenses: \$5,152.64(Farm)	\$1,853(Home)	\$7,005.87
Apr Expenses: \$1,990.69(Farm)	\$2,033.01(Home)	\$4,023.70
May Expense: \$8,494.50(Farm)	\$966.07(Home)	\$9,401.57
Jun Expense: \$1,978.07(Farm)	\$343.78(Home)	\$1,978.07
Jul Expense: \$3,648.96(Farm)	\$384.66(Home)	\$4,361.88

TOTAL EXPENSES: \$35,999.01

MONTHLY AVG: \$ 5,999.84

INCOME

Debtors income projection is based on the average milk weight produced for the first six months of this case and the most recent USDA projections for 2020 at \$18.90 per cwt. See, <https://www.ers.usda.gov/topics/animal-products/dairy/market-outlook/>. Debtors have consistent social security income of \$923 and \$435 respectively. The projected COLA increase for social security is currently 1.7%. As a result, Debtors' projected 2020 social security income is \$1,381 per month. Debtor Larry Charles derives non-farm income from his employment as a school bus driver. Historically he has made an average of \$606 per month for the 9 months he is employed based on his 2018 W-2. Debtor has received unemployment in July and August of approximately \$184 bi-weekly which averages out to \$368 per month. Debtors have taken steps to improve their feed for the cattle and have realized an average 48% increase in milk production in 2019 compared to the production in 2018 as is detailed below. To the extent that data is not available for monthly comparison from 2018 to 2019, the average percentage increase is being applied to the available information for 2018 to project the 2019-2020 milk weight production. Due to the drastic improvement in production from 2018 to 2019, the projections assume only a modest increase in overall milk weight production going forward. Counsel is projecting a 2% increase based on continued improvement in the debtors' feeding regimen.

Historical and Projected Milk Weight Production (in CWT)

Feb 2018 22,482
Feb 2019 36,160
Increase 38%

PROJ 2020 (+2%) 36,883
Est price \$18.90/cwt

PROJ FEB \$6,970.88

Mar 2018 14,720
Mar 2019 35,632
Increase 59%

PROJ 2020 (+2%) 36,344
Est price \$18.90/cwt

PROJ MAR \$6,869.13

Apr 2018 16,523
Apr 2019 38,631
Increase 57%

PROJ 2020 (+2%) 39,403
Est price \$18.90/cwt

PROJ APR \$7,447.28

May 2018 13,594
May 2019 29,407
Increase 54%

PROJ 2020 (+2%) 29,995
Est price \$18.90/cwt

PROJ MAY \$5,669.08

Jun 2018 16,563
Jun 2019 31,459
Increase 47%

PROJ 2020 (+2%) 32,088
Est price \$18.90/cwt

PROJ JUN **\$6,064.67**

Jul 2018 20,627
Jul 2019 31,636
Increase 35%

PROJ 2020 (+2%) 32,268
Est price \$18.90/cwt

PROJ JUL **\$6,098.78**

Aug 2018 21,465
Proj Aug 2019 31,768
Increase 48% (Projected)

Est price \$18.90/cwt

PROJ AUG **\$6,004.18**

Sept 2018 24,675
Proj Sept 2019 36,519
Increase 48% (Projected)

Est price \$18.90/cwt

PROJ SEPT **\$6,902.09**

Oct 2018 22,098
Proj Oct 2019 32,705
Increase 48% (Projected)

Est price \$18.90/cwt

PROJ OCT **\$6,181.25**

Nov 2018 27,543
Proj Nov 2019 31,674
Increase 15% (Projected)*

Est price \$18.90/cwt

PROJ NOV **\$5,986.47**

*Nov 2018 reflects the early results of the new feeding regimen. A 48% increase over those numbers would be an extreme outlier, so counsel projected a more modest 15% increase that appears to align with the historical trends.

Dec 2018 31,665
Proj Dec 2019 32,298
Increase 2% (Projected)

Est price \$18.90/cwt

PROJ DEC \$6,104.37

Jan 2018 38,214
Proj Jan 2020 38,978
Increase 2% (Projected)

Est price \$18.90/cwt

PROJ JAN \$7,366.89